

in general terms—the notice referred only to such business as is usually transacted at an annual meeting—receiving the directors' report for the past year, election of directors, and such other business as may properly be brought before the meeting. The Black Lake company's by-law provided that the annual meeting shall be held for the election of directors "and for all other general purposes relating to the management of the company."

Less than 50 per cent. of the shares issued by the Black Lake company were represented at the meeting.

The consideration of the agreement was a matter of business of special and unusual importance to the company and to all the shareholders, and did not relate to the management of the company in the sense intended to be conveyed by the by-law. The transactions involved in the agreement were not included in the notice of the meeting.

The learned Judge referred to a number of authorities, including Halsbury's Laws of England, vol. 5, p. 718, para. 1278; Kaye v. Croydon Tramways Co., [1898] 1 Ch. 358; and Tiessen v. Henderson, [1899] 1 Ch. 861.

The conclusion must be that the meeting, so far as it related to and dealt with the agreement, was not properly convened, and that the agreement must, in consequence, be held invalid. That the transaction might be one largely benefitting the shareholders was not a reason for a different conclusion; nor was it material to the validity of the agreement that the parties acted in good faith.

There should be judgment for the plaintiffs as prayed with costs.

The directors acted in good faith and in the honest belief that the agreement would be of advantage to the company and the shareholders; accordingly there should be no order as to costs.

LOGIE, J.

APRIL 9TH, 1920.

*CROSWELL v. DABALL.

Ship—Collision of Motor-boats in Inland Waters—Proximate Cause of Collision—Evidence—Finding of Fact of Trial Judge—Negligence—Disregard of Rules of Road—Contributory Negligence—Both Boats at Fault—Joint Liability—Damages—Apportionment—Loss of Business—Canada Shipping Act, R.S.C. 1906 ch. 113, secs. 5, 6, 918, 921 (d)—Interest—Costs.

Action for damages for the loss of the plaintiffs' motor-boat in a collision with the motor-boat of the defendant Alonzo W. Daball, in the Georgian Bay, on the 22nd July, 1919.